BEFORE THE FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

	
In the Matter of)
Petition of the Embarq Local Operating) WC Docket No. 07-204
Companies for Forbearance Under)
47 U.S.C. § 160(c) From Enforcement of	j
Certain of ARMIS Reporting Requirements)
Petition of the Frontier and Citizens ILECs)
For Forbearance Under 47 U.S.C. § 160(c)	j
From Enforcement of Certain of the	<u>,</u>
Commission's ARMIS Reporting Requirements	j
	_)

SPRINT NEXTEL CORPORATION'S COMMENTS ON THE PETITIONS OF THE EMBARQ LOCAL OPERATING COMPANIES AND THE FRONTIER AND CITIZENS ILECS FOR FORBEARANCE FROM ENFORCEMENT OF CERTAIN OF THE ARMIS REPORTING SAFEGUARDS

Anna M. Gomez
Jennifer A. Duane
Sprint Nextel Corporation
2001 Edmund Halley Drive
Building A, 2nd Floor
Reston, Virginia 20191
(703) 592-7781

Dated: February 1, 2008

TABLE OF CONTENTS

I.	INTR	NTRODUCTION AND SUMMARY2					
II.	REVI	ETITION FOR FORBEARANCE IS NOT THE PROPER MECHANISM TO TIEW THE APPROPRIATENESS OF THE CONTINUED APPLICABILITY THESE ARMIS REPORTS					
III.		ARQ'S AND FRONTIER'S PETITIONS FAIL TO SATISFY SECTION 10'S JIREMENTS FOR FORBEARANCE	7				
	A.	Embarq and Frontier Have Failed to Demonstrate That Compliance With These ARMIS Reports Is Not Necessary to Ensure Just, Reasonable and Non-Discriminatory Charges and Practices.	8				
	B.	Embarq and Frontier Have Failed to Demonstrate That Compliance With These ARMIS Reporting Safeguards Is Not Necessary to Protect Consumers	10				
	C.	Granting Forbearance in This Matter Would Be Contrary to the Public Interest and Would Fail to Advance Competition	12				
IV.	CON	CLUSION	14				

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of))	
Petition of the Embarq Local Operating)	WC Docket No. 07-204
Companies for Forbearance Under)	
47 U.S.C. § 160(c) From Enforcement of)	
Certain of ARMIS Reporting Requirements)	
Petition of the Frontier and Citizens ILECs)	
For Forbearance Under 47 U.S.C. § 160(c))	
From Enforcement of Certain of the)	
Commission's ARMIS Reporting Requirements)	

SPRINT NEXTEL CORPORATION'S COMMENTS ON EMBARQ'S AND FRONTIER/CITIZENS' PETITIONS FOR FORBEARANCE FROM ENFORCEMENT OF CERTAIN ARMIS REPORTING SAFEGUARDS

Sprint Nextel Corporation ("Sprint Nextel"), in response to the Public Notice issued by the Federal Communications Commission ("Commission" or "FCC") in the above-captioned proceeding, hereby respectfully submits its comments addressing the petitions of the Embarq Local Operating Companies ("Embarq")² and of the Frontier and Citizens Communications Incumbent Local Exchange Telephone Carriers ("Frontier")³

¹ Federal Communications Commission Public Notice, "Pleading Cycle Established for Embarq Local Operating Companies and Frontier and Citizens Communications Incumbent Local Exchange Telephone Carriers Petitions Seeking Forbearance from Enforcement of Certain ARMIS Reporting Requirements," WC Docket No. 07-204, DA 07-5033. The Commission's Public Notice, released December 18, 2007, called for the filing of initial comments by February 1, 2008, with reply comments due by March 17, 2008.

² Petition of Embarq Local Operating Companies for Forbearance from Enforcement of the Commission's ARMIS Reporting Requirements Pursuant to 47 U.S.C. § 160(c), WC Docket No. 07-204 (filed October 19, 2007) ("Embarq Petition").

³ Petition of Frontier and Citizens ILECs for Forbearance Under 47 U.S.C. § 160(c) from Enforcement of Certain of the Commission's ARMIS Reporting Requirements, WC Docket No. 07-204 (filed November 13, 2007) ("Frontier Petition"). Frontier operates in 24 states and on a consolidated basis is a mid-sized incumbent local exchange carrier ("ILEC"). They are wholly-owned by Citizens Communications Company. Frontier Petition at 2, fn. 1.

seeking forbearance from enforcement of certain of the FCC's Automated Reporting Management Information System ("ARMIS") reporting safeguards.

I. INTRODUCTION AND SUMMARY

On October 19, 2007, Embarq filed a petition asking the Commission to forbear from enforcing the obligation to file certain ARMIS reports. Specifically, Embarq seeks forbearance from Commission regulations requiring the submission of ARMIS Reports 43-05 (Service Quality Report) and 43-08 (Operating Data Report). Similarly, on November 13, 2007, Frontier filed a petition on behalf of its local operating companies seeking forbearance from having to file the ARMIS Service Quality Report and the Operating Data Report. Embarq and Frontier seek relief similar to what AT&T Inc. ("AT&T") requested in its petition for forbearance from the service quality and network infrastructure ARMIS reports, filed with the Commission on June 8, 2007. AT&T also requested forbearance from filing ARMIS Reports 43-06 (Customer Satisfaction) and 43-07 (Infrastructure Report), which neither Embarq nor Frontier is currently required to file. Consequently, the Embarq and Frontier petitions do not seek forbearance from filing those reports. In all other respects, these two companies have asked for the same forbearance relief that AT&T requested.

Sprint Nextel urges the Commission to deny the Embarq and Frontier petitions on both procedural and substantive grounds. As a procedural matter, a petition for forbearance is not the appropriate vehicle to adopt changes to the ARMIS reports, which generally apply to the major incumbent local exchange carriers ("ILEC") subject to price

2

⁴ Petition of AT&T Inc. for Forbearance Under 47 U.S.C. § 160(c) from Enforcement of Certain of the Commission's ARMIS Reporting Requirements, WC Docket No. 07-139 (filed June 8, 2007).

⁵ Frontier Petition at 5-6; Embarg Petition at 2.

cap regulation.⁶ Moreover, Embarq and Frontier have failed to demonstrate that forbearance from these valuable reporting safeguards satisfies each element of the statutory forbearance criteria enumerated in 47 U.S.C. § 160(a) and its petition therefore should be denied. Given the Commission's recent decisions to forbear from certain other competitive safeguards despite these ILECs' continued dominance over bottleneck facilities,⁷ it is even more imperative that it continue to maintain these ARMIS reports as safeguards against their anticompetitive exploitation of their dominant status in their respective markets.

II. A PETITION FOR FORBEARANCE IS NOT THE PROPER MECHANISM TO REVIEW THE APPROPRIATENESS OF THE CONTINUED APPLICABILITY OF THESE ARMIS REPORTS

The Commission implemented the ARMIS reporting safeguards in 1987 in the aftermath of the AT&T divestiture to collect financial and operational data from the largest ILECs. The Commission adopted the ARMIS reports to establish an automated system for collecting, in a logical and consistent manner, the financial and operating data it required to administer its rules relating to accounts, joint costs, jurisdictional separations, rate base disallowance and access charges. The ARMIS reports the FCC initially adopted reflected the ILECs' cost and other data recorded on their accounting books, prepared and maintained according to the FCC's Uniform System of Accounts

_ 6

⁶ Automated Reporting Requirements for Certain Class A and Tier 1 Telephone Companies (Parts 31, 43, 67 and 69 of the FCC's Rules), CC Docket No. 86-182, Report and Order, 2 FCC Rcd 5770 (1987) (ARMIS Order), modified on recon., 3 FCC Rcd 6375 (1988) (ARMIS Reconsideration Order).

⁷ See In the Matters of Petition of the Embarq Local Operating Companies for Forbearance Under 47 U.S.C. § 160(c) from Application of Computer Inquiry and Certain Title II Common-Carriage Requirements and Petition of Frontier and Citizens ILECs for Forbearance Under 47 U.S.C. § 160(c) from Title II and Computer Inquiry Rules With Respect to Their Broadband Services, WC Docket No. 06-147, FCC 07-184 (rel. October 24, 2007) (hereinafter "Embarq/Frontier Broadband Forbearance Order"). See also, In the Matters of Petition of AT&T Inc. and BellSouth Corporation for Forbearance Under 47 U.S.C. § 160(c) from Title II and Computer Inquiry Rules with Respect to its Broadband Services, WC Docket No. 06-125, Memorandum Opinion and Order, FCC 07-180 (rel. October 12, 2007) ("AT&T Forbearance Order").

⁸ See FCC ARMIS Homepage.

⁹ ARMIS Order at ¶ 1.

("USOA") rules.¹⁰ The Commission added additional ARMIS reports in 1991 to collect service quality and network infrastructure information from those ILECs subject to price cap rather than rate-of-return regulation.¹¹ In 1992, it added ARMIS Report 43-08 to collect operating statistics that were formerly reported on the Commission's Form M reports.

Generally, the ARMIS reports can be grouped into three major categories – financial, service quality and network infrastructure. The Embarq and Frontier forbearance petitions focus on these latter categories of ARMIS reports. The service quality report, ARMIS 43-05, is filed annually by all mandatory and elective price cap ILECs. It consists of six tables and collects data at the study area and the holding company levels. Table I contains the installation and repair intervals achieved by ILECs for services provided to interexchange carriers, divided between switched access and special access services. Table II reports the installation and repair intervals the ILECs achieved for local services provided to both business and residential customers. Table III reports blockages on common trunk groups between the ILECs' end office and their access tandems. Table IV contains data on the loss of local switch call processing capability, including identification of total downtime durations of less than two minutes. Table IV(A) provides data on all occurrences of local switch outages lasting two minutes

¹⁰ ARMIS Order at ¶¶ 3-4; ARMIS Recon Order at ¶ 5; In the Matter of Policy and Rules Concerning Rates for Dominant Carriers, Second Report and Order, 5 FCC Rcd 6786, at ¶¶ 34, 383 (1990) ("Price Cap Order"). These rules are codified at 47 C.F.R. §§ 32, 36, 64, and 69.

¹¹ In the Matter of Policy and Rules Concerning Rates for Dominant Carriers, Memorandum Opinion and Order, 6 FCC Rcd 2974, 2975-76 at ¶ 3 (1991).

¹² ARMIS Order at ¶¶ 3-4; Price Cap Order at ¶ 357.

¹³ The FCC's website summarizes the carrier requirements for ARMIS report filings at http://www.fcc.gov/wcb/armis/filereqt.html. Carriers with annual revenues below the current threshold of \$129 million in annual revenues, numbering approximately 1200 small companies, are not currently required to file ARMIS reports. 47 U.S.C. § 43.21.

or more. Finally, Table V consists of a count of the formal complaints raised by residential and business customers in both the state and interstate jurisdictions.¹⁴

ARMIS Report 43-08, the Operating Data Report, consists of six tables organized by state jurisdiction, including Table I.A (Outside Plant Statistics – Cable and Wire Facilities); Table I.B (Outside Plant Statistics – Other); Table II (Switched Access Lines in Service); Table III (Switched Access Lines in Service by Customer); and Table IV (Telephone Call statistics).¹⁵

While one purpose of the ARMIS reporting system was to facilitate the timely and efficient analysis of revenue requirements and rates of return, the Commission has also acknowledged that the reports enhance its oversight functions and permit it to quantify the effects of its policies.¹⁶ In particular, the Commission has noted that the data captured by these reports allow it to determine whether its initiatives and policies are functioning as intended and to adjust its rules and procedures accordingly.¹⁷

The Commission adopted the ARMIS reporting safeguards after careful deliberation and upon the compilation of a full evidentiary record in the context of several rulemaking proceedings over the course of several years. Embarq and Frontier ask the Commission to eliminate valuable tools to track fundamental operating indicators upon which both the Commission and the state public utility commissions rely to fulfill their statutory obligations. Given the importance of these reporting safeguards, any proposed

¹⁴ In the Matter of 2000 Biennial Regulatory Review – Telecommunications Service Quality Reporting Requirements, Notice of Proposed Rulemaking, 15 FCC Rcd 22113, at ¶ 14 and Appendix A (2000). Up until 1995, ARMIS 43-05 was filed quarterly.

¹⁵ In the Matter of 2000 Biennial Regulatory Review – Comprehensive Review of the Accounting Requirements and ARMIS Reporting Requirements for Incumbent Local Exchange Carriers; Phase 2, Report and Order and Further Notice of Proposed Rulemaking in CC Docket Nos. 00-199, 97-212, and 80-286, 16 FCC Rcd 19911, 19976-77 at ¶¶ 178-82 (2001).

¹⁶ ARMIS Order at ¶ 1.

 $^{^{17}}$ *Id.* at ¶ 34.

modifications should only be addressed through a comprehensive and industry-wide rulemaking – not through a petition for forbearance that impacts only these companies, particularly when the petition raises matters that affect obligations imposed on all price cap ILECs. A broader rulemaking proceeding would permit the Commission to fully examine the implications of changes to its reporting safeguards on all stakeholders – consumers, regulators and competitors.

Furthermore, both federal and state regulators rely on the ARMIS Reports to access and analyze industry data to monitor competitive market conditions, evaluate service quality and to further regulatory objectives in an informed manner. Embarq's and Frontier's forbearance petitions directly impact the continued availability of the service quality data and operating statistics for regulatory purposes at both the state and federal level. The Commission and the states therefore have a strong interest in collaborating on a matter that has implications for both interstate and intrastate regulation and oversight.¹⁹

The Commission has taken a collaborative approach in the past to address issues that affect both the interstate and intrastate jurisdictions. For instance, it has established the Federal-State Joint Board on Jurisdictional Separations to examine issues arising from the separation of revenues and costs between the interstate and intrastate jurisdictions.²⁰ It initiated the Federal-State Joint Conference on Accounting Issues "to ensure that regulatory accounting data and related information filed by carriers are adequate, truthful

¹⁸ Price Cap Order, 5 FCC Rcd 6788 at ¶¶ 381-382.

¹⁹ For example, section 10(e) of the Act provides that a State commission may not continue to apply or enforce any provision of this chapter that the Commission has determined to forbear from applying under subsection (a) of this section. 47 U.S.C. § 160(e).

²⁰ In 2006, the Commission extended the jurisdictional separations freeze and issued a further notice of proposed rulemaking to consider additional reforms of the jurisdictional separations process. *Jurisdictional Separations and Referral to the Federal-State Joint Board*, Order and Further Notice of Proposed Rulemaking, CC Docket No. 80-286, 21 FCC Rcd 5516 (2006) ("Separations Freeze FNPRM").

and thorough."²¹ Consistent with this practice, the Commission could convene a specially formed Federal-State Joint Board to evaluate whether changes are needed to the ARMIS service quality and network infrastructure reporting requirements that would be applicable across-the-board to all reporting carriers. Such an approach would be vastly superior to implementing significant changes to these reporting safeguards or eliminating them entirely in a piecemeal fashion in the narrow context of a particular carrier's forbearance petition.

III. EMBARQ'S AND FRONTIER'S PETITIONS FAIL TO SATISY SECTION 10'S REQUIREMENTS FOR FORBEARANCE

Embarq and Frontier bear a substantial burden to demonstrate that they meet each element of the statutory criteria to obtain forbearance from Commission regulations.

Section 10(a) of the Act provides that the Commission may not grant forbearance from any Commission regulation or statutory provision until it finds that three conditions have been met. The Commission must make affirmative determinations that (1) enforcement of the Act's provisions or the Commission's regulations is not necessary to ensure that the telecommunications carrier's charges, practices, classifications, or regulations are just, reasonable, and not unjustly or unreasonably discriminatory; (2) enforcement of the provision or regulation is not necessary for the protection of consumers; and (3) forbearance from applying the provision or regulation is consistent with the public interest. Section 10(b) also requires the Commission, as part of its public interest determination, to examine whether forbearance from enforcing the provision or regulation

²¹ Federal-State Joint Conference on Accounting Issues, WC Docket No. 02-269, Order, 17 FCC Rcd 17025, at ¶ 1 (2002).

²² 47 Ú.S.C. § 160(a).

at issue will promote competitive market conditions and enhance competition among telecommunications providers.²³

The Commission must deny a petition for forbearance if it determines that any one of the three elements of the section 10(a) standard is not met.²⁴ As discussed in more detail below, Embarq and Frontier have failed to satisfy the three components of the statutory forbearance standard and their petitions therefore should be denied.

A. Embarq and Frontier Have Failed to Demonstrate That Compliance with These ARMIS Reports Is Not Necessary to Ensure Just, Reasonable and Non-Discriminatory Charges and Practices

Embarq and Frontier focus solely on whether the ARMIS reports at issue are needed to ensure just, reasonable and non-discriminatory rates. They simply disregard the other elements of the required statutory review - namely, the telecommunications carrier's practices, classifications and regulations.²⁵ Embarq and Frontier further ignore that these reports do contain information that serves as an important barometer on the effectiveness of the Commission's deregulatory polices.

The Commission has indicated that ARMIS data serve additional and broader purposes than the mere regulation and enforcement of rate-of-return thresholds.²⁶ ARMIS is simply a series of standardized reporting forms and an electronic interface to facilitate the reporting of the ILECs' financial results, service quality performance and operating

²³ 47 U.S.C. § 160(b).

²⁴ Cellular Telecommunications & Internet Association v. Federal Communications Comm'n, 330 F.3d 502, 509 (D.C. Cir. 2003) (explaining that the three elements of section 10(a) are conjunctive and that the Commission could properly deny a petition for failure to meet any one prong). Additionally, the Commission has held that it would be appropriate to deny a petition for forbearance even if only one of the three elements of section 10(a) is not satisfied. Petition of Core Communications, Inc. for Forbearance from Sections 251(g) and 254(g) of the Communications Act and Implementing Rules, WC Docket No. 06-100, Memorandum Opinion and Order, 22 FCC Rcd 14118, 14125 at ¶ 12 (2007).

²⁶ Price Cap Order at ¶ 378.

data.²⁷ Such data offer regulators, and any interested business or consumer, the ability to analyze the ILECs' earning and investment levels and their quality of service by examining the information collected in the ARMIS reports.

For example, ARMIS 43-05 reports how quickly Embarg and Frontier repair both interexchange ("IXC") and local circuits and how much service downtime their customers experience. There is still continuing value in this information being publicly available, as both wholesale and retail customers will be able to determine the level of service they are receiving. And they can compare their experience to the ILEC-wide number to determine if they are getting inferior service. Such data enables Sprint Nextel to determine whether Embarq and Frontier are treating its UNE-based and IXC businesses the same as they treat their own local and long distance operations. Thus, ARMIS 43-05 acts as a check on discriminatory practices in service provisioning and facilitates the detection of anticompetitive conduct.

Additionally, the elimination of these ARMIS reporting requirements for Embarg and Frontier would remove a key source of information relating to operating statistics and service quality data on a state-specific basis, which are used by many state commissions to ensure compliance with applicable state statutes and regulations. For many states, these ARMIS reports are the only publicly available source of this state-level data. States use the ARMIS report data for a number of regulatory purposes, including assessing the state of local market competition, determining intrastate universal service support, examining service quality levels and evaluating unbundled network element ("UNE") rates.²⁸ For example, many state agencies and consumer advocates filed comments in the docket the

 $^{^{27}}$ ARMIS Order at $\P\P$ 3-4. 28 Price Cap Order at \P 369; ARMIS Recon Order at $\P\P$ 22-25.

Commission opened to address AT&T's request for forbearance from filing the service quality and network infrastructure ARMIS reports and indicated that they rely on these reports to fulfill their statutory and regulatory oversight responsibilities.²⁹ Many states have also eliminated state-specific reporting requirements applicable to the ILECs in reliance on the availability of these ARMIS reports.³⁰

Thus, these ARMIS reports continue to have value in ensuring just, reasonable and non-discriminatory rates and practices at the state and federal level. The Commission therefore should find that Embarq and Frontier have not met the first element of the statutory forbearance standard.

B. Embarq and Frontier Have Failed to Demonstrate That Compliance with These ARMIS Reporting Safeguards Is Not Necessary to Protect Consumers

Embarq and Frontier contend that the service quality and network infrastructure ARMIS reports have no strong connection with consumer protection goals and are not necessary to protect consumers.³¹ Arguing that the reports are very technical in nature and difficult for consumers to understand, Embarq and Frontier seem to have confused the applicable forbearance standard with whether consumers actually use the data rather than whether the reports serve consumer protection objectives.

ARMIS Report 43-05, for example, captures data on the quality of service an ILEC provides to its retail and wholesale customers. One of the tables covers the installation and repair intervals achieved by the reporting carrier for local services provided to both business and residential customers. Another table counts the number of service quality complaints that residential and business customers have raised in both the

10

²⁹ See, e.g., Comments of the Public Utility Commission of Texas at 2-3 and Reply Comments of the California Public Utilities Commission ("CPUC") at 4-9 filed in WC Docket 07-139.

³⁰ See, e.g., CPUC Reply Comments at 3-4 filed in WC Docket No. 07-139.

³¹ Frontier's Petition at 12-13, 17; Embarg's Petition at 8-9, 12-13.

state and interstate jurisdictions. The information contained in ARMIS 43-05 is used by several state commissions to monitor and enforce their service quality standards and permits state-by-state comparisons.³² While many retail consumers may not directly consult the ARMIS report database, state commissions and consumer agencies have the means to evaluate, interpret and present the information in a way that is meaningful to consumers. There is no other source of nationwide data comparable to the ARMIS Service Quality report.

In addition, ARMIS 43-08 is used by many state commissions to facilitate regulatory objectives. The Public Utility Commission of Texas ("TPUC"), a state in which Embarq operates, indicated in comments filed in WC Docket No. 07-139 that this report provides inputs into the Texas Universal Service Fund ("TUSF") cost models. Without the data in ARMIS 43-08, the TUPC noted, it would be disadvantaged in establishing the input parameters for the TUSF cost models. Similarly, the New Jersey Division of Rate Counsel's comments filed in the AT&T docket indicated that it used the ARMIS 43-08 data for regulatory purposes, specifically to determine the relative size of subscriber bases and analyze resource investments of Embarq and Verizon – the major ILECs operating in New Jersey.

Given the documented need for this information for regulatory purposes and to further consumer protection objectives, Embarq and Frontier have failed to prove that

³² In WC Docket 07-139, established to consider AT&T's forbearance petition from selected ARMIS reporting requirements, several state commissions filed comments indicating that they rely on the Service Quality Report for their own regulatory purposes and urged the Commission to continue to require it. *See, e.g., Comments of the Public Utility Commission of Texas* at 2-3 (noting that it uses the ARMIS 43-05 data to compare the level of service quality in Texas to that of other states).

³³ Comments of the Public Utility Commission of Texas at 5 filed on August 16, 2007 in WC Docket No. 07-139.

 $^{^{34}}$ Id

³⁵ Comments and Opposition of the New Jersey Division of Rate Counsel at 33-34, filed on August 20, 2007 in WC Docket No. 07-139.

enforcement of these reporting safeguards is not needed to protect consumers. Granting forbearance in this instance, given the valuable data that these reports provide to both consumers and regulators, would be inappropriately harmful to consumers.

C. Granting Forbearance in this Matter Would be Contrary to the Public Interest and Would Fail to Advance Competition

Embarg and Frontier contend that forbearance from enforcement of these ARMIS reporting requirements is consistent with the public interest because it would reduce their regulatory reporting burdens and eliminate associated costs that are not shared in equal measure by their competitors.³⁶ The public interest, however, does not simply equate to Embarg's and Frontier's own private interests. Both Embarg and Verizon ignore the positive public interest benefits provided by the availability of the standardized reports covering service quality and operating data. Furthermore, the introduction of the ARMIS reporting system reduced compliance costs; it is largely automated and has been in place for several years. Embarq and Frontier have failed to convincingly show how they are unable to effectively compete because of these ARMIS reporting obligations.

These ARMIS reports offer an extensive database of publicly available information covering many key facets of an ILEC's business operations.³⁷ The standardized format facilitates comparisons between companies, between different customer classes, over different geographic areas and over different time spans. The availability of this information is crucial to monitor the effectiveness of the Commission's deregulatory policies in the marketplace and detect where market failures exist. The FCC makes use of this data in several of the reports it prepares, including Statistics of

Embarq Petition at 9-10, 13-15.
 ARMIS Recon Order at ¶ 31.

Communications Common Carriers and Quality of Service of Incumbent Local Exchange Carriers.

Embarq and Frontier suggest that if the Commission determines that information contained in these ARMIS reports is needed for the Commission's performance of its regulatory duties, then it should collect the information from all carriers as part of an expanded Form 477. While the Form 477 reports are valuable, they are not an adequate substitute for these ARMIS reports. The Form 477s are considered proprietary to each filing company and are not publicly available for inspection. Information from the Form 477s is reported in aggregate form for such Commission publications as the *Local Telephone Competition and High Speed Services for Internet Access*, but the underlying data for each company are not accessible to the public.

Similarly, Embarq and Frontier point to the availability of other information sources for the data presented in these ARMIS reports, including the Part 4 service outage reports. But service quality has many dimensions and the Commission's service outage reports only collect information on the duration of outages. They don't cover the breadth of service quality indicators found in ARMIS 43-05, including installation intervals and frequency of trouble report rates, which are important measurements to both wholesale and retail customers of these ILECs.

Granting Embarq's and Frontier's forbearance petitions from these ARMIS reporting safeguards would do little to promote competition and may, in fact, lead to decreases in investment and innovation as well as deteriorations in service quality that will no longer be able to be discerned or documented. Thus, a grant of forbearance under these circumstances would be contrary to the public interest.

³⁸ Embarg Petition at 14-15; Frontier Petition at 8-9.

IV. CONCLUSION

For the foregoing reasons, Sprint Nextel urges the Commission to deny Embarq's and Frontier's Petitions for Forbearance from filing these ARMIS reports. Embarq and Frontier fail to demonstrate that forbearance would be consistent with each element of the statutory forbearance standard.³⁹ The Commission cannot, based on the record in this docket, grant Embarq's and Frontier's petitions for forbearance from these important safeguards.

Respectfully submitted,

SPRINT NEXTEL CORPORATION

Jennifer A. Duane

2001 Edmund Halley Drive Building A, 2nd Floor

Mailstop: VARESP0201-A208

Reston, VA 20191 703-592-7781

Dated: February 1, 2008

³⁹ 47 U.S.C. § 160(a).